



Company Report: Masan Consumer JSC (MCH)

Research Department

13/05/2025

Unleash Potential with the Transition Plan to HOSE

BUSINESS UPDATES

By the end of Q1 2025, MCH recorded consolidated revenue of VND 7,489 billion, marking a 14% yoy increase. Meanwhile, profit before tax declined slightly by 3.6% yoy to VND 1,585 billion.

Although the macroeconomic environment remains less than favorable and may affect domestic consumer demand, MCH continues to be an attractive defensive consumer stock thanks to (1) a diversified portfolio of essential products catering to a broad range of consumers, (2) its ability to leverage distribution advantages as part of the Masan Group ecosystem, and (3) its growth potential through product diversification and international revenue expansion under the Go Global strategy. The company's premiumization strategy is also helping to expand its revenue base and sustain strong growth within the FMCG sector. MCH also maintains a consistently high cash dividend payout ratio, reaching 60% in 2025. At the 2025 Annual General Meeting, the management set **Q3/2025** as the timeline for listing MCH on the Ho Chi Minh Stock Exchange (HSX). The listing on HSX is expected to improve the company's visibility among both domestic and international investors, enhance liquidity, and potentially facilitate inclusion in major stock indices.

RECOMMENDATION

We set a target price for MCH shares at **VND 116,000 per share**. Based on the closing price of MCH on May 13, 2025, at VND 127,900 per share, we issue a **NEUTRAL** recommendation for the stock. In our view, the current price has largely reflected the Company's outlook.

Recommendation:

NEUTRAL

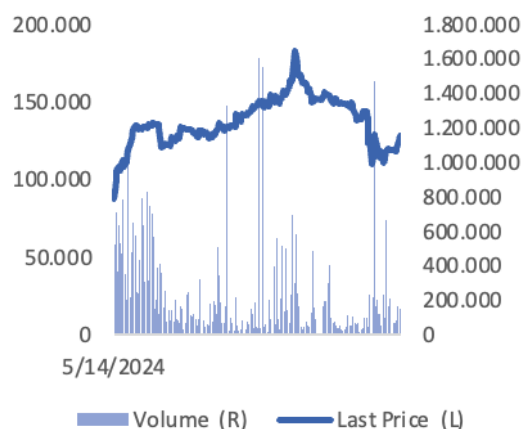
TP:

VND116,000

Current price:

VND127,900

Price performance



Stock price change	1 M	3 M	1Y
Price change %	5.3%	-17.0%	43.4%
Comparison with VN index	9.5%	-14.9%	47.3%
Average (VND)	118,865	134,869	145,647

Sources: Bloomberg, Guotai Junan (VN)

No. of shares outstanding (million)	1,051.45	Major shareholder (%)	Masan Consumer Holdings
Market Capitalization. (VND b)	138,055.31	Free float (%)	69.7%
3-Month Average Trading Volume ('000)	120.89	EPS TTM (VND)	30%
Highest/Lowest Price 52w (VND)	182872 / 101424	NPM TTM (%)	10,733
			22%

Source: the Company, Guotai Junan (VN).

I. BUSINESS OVERVIEW

Masan Consumer Corporation (MCH) is a member of the Masan Group. Established in 1996, Masan Consumer has rapidly secured a leading position in Vietnam's food and beverage sector after transforming its business model from a pure export-oriented enterprise to a domestic market-focused one.

Nowadays, Masan Consumer is one of the largest fast-moving consumer goods (FMCG) companies in Vietnam. It manufactures and distributes a wide range of products across the following categories:

- Seasonings
- Convenient foods
- Beverages
- Coffee
- Home and Personal Care Products (HPC)

Seasonings



Convenient foods



Beverages



Coffee



HPC



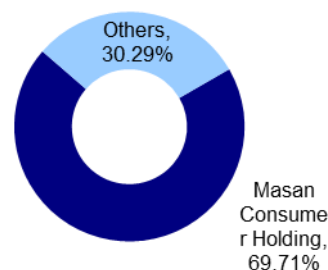
Masan Consumer (MCH) plays a vital role in the integrated consumer ecosystem that Masan Group is building, with the goal of controlling the entire value chain from production to consumption. Within this ecosystem, MCH is responsible for the manufacturing and development of fast-moving consumer goods (FMCG). Currently, MCH operates an extensive distribution network with over 313,000 traditional retail outlets and 8,500 modern trade points. According to Kantar Worldpanel, 98% of Vietnamese households own at least one MCH product.

MCH's contribution to Masan Group

	Revenue contribution	Gross profit contribution
MCH	30,897	14,405
WinCommerce	32,961	8,134
MML	7,650	1,962
Phuc Long	1,626	1,061
Masan High-tech	14,336	893
Total	83,178	24,656

Source: Masan Group

MCH shareholder structure



Source: Masan Consumer, GTJASVN RS

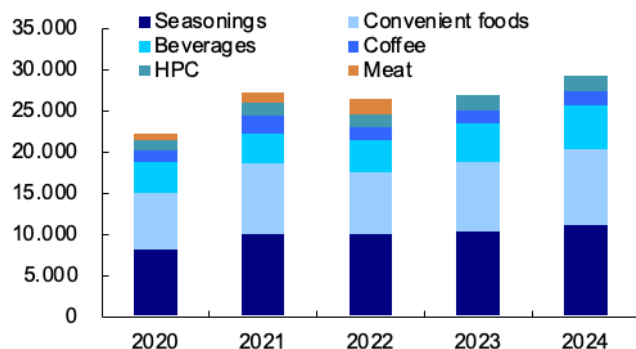
On March 29, 2025, following the successful completion of a share offering, Masan Consumer Holdings' ownership in MCH decreased from 91.27% to 69.71%

Being an integral part of a closed-loop value chain enables MCH to optimize logistics and distribution costs, enhance consumer data collection capabilities, and accelerate the launch and market penetration of new products - creating a clear competitive advantage over industry peers.

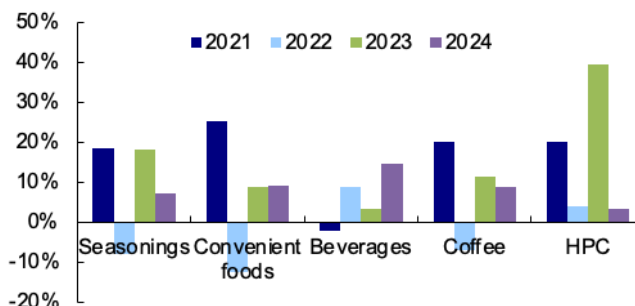
II. BUSINESS ACTIVITIES

2.1. Business sector by product category

Revenue structure by sectors 2020-2024



Revenue growth by sector

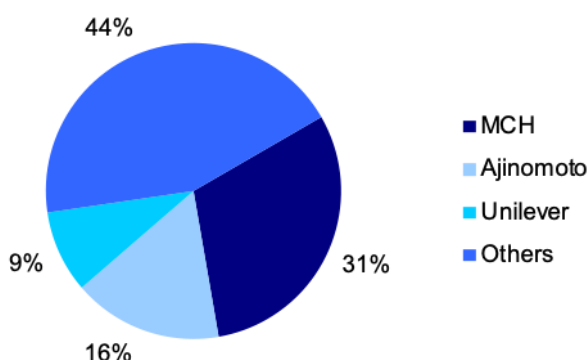


Source: MCH, GTJASVN RS

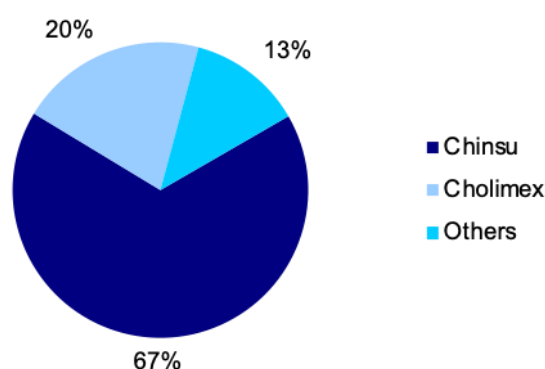
a, Seasonings

The seasoning sector has consistently been a core revenue driver for MCH, contributing 36% of total revenue in 2024. According to Euromonitor, the seasoning market in Vietnam was valued at approximately VND 33,500 billion, with sauces accounting for 64% of the market. Specifically, fish sauce held the largest share with a market size of VND 15,000 billion, followed by soy sauce and chili sauce. According to Frost & Sullivan, in 2024, MCH led the fish sauce market with a 68.8% share, chili sauce with 67.0%, and soy sauce with 52.9%, significantly ahead of its competitors.

Market share of seasoning products by revenue in 2024



MCH's chili sauce market share by revenue, with 2024 revenue double that of Cholimax






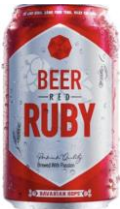
Source: MCH, GTJASVN RS

b, Beverages

In 2024, the beverages sector contributed 16.8% of MCH's total revenue. Within the company's revenue structure, the beverages category has demonstrated the most stable growth, with an average annual revenue increase of 6.25%, continuing to rise even during the 2021-2022 period.

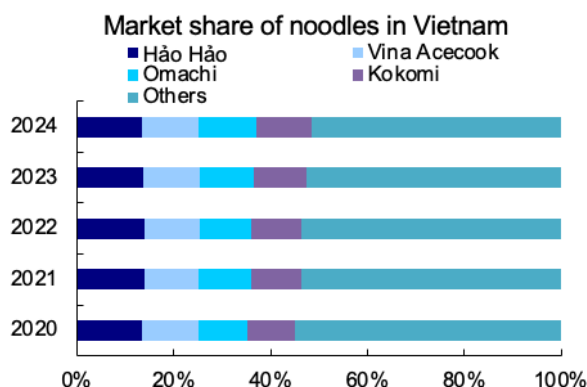
According to Frost & Sullivan, in 2024, MCH ranked fourth in Vietnam's energy drink market with a 10% market share. In addition to energy drinks, the beverage sector continues to grow strongly, driven by product development initiatives targeting Gen Z consumers - notably, Búp Non tea, a

health-oriented brand. According to a recent Asia-Pacific Health Priority Survey by Herbalife, the majority (86%) of Vietnamese consumers have become more health-conscious in the post-COVID-19 era. As a result, health-focused innovations like Búp Non tea are expected to continue growing in the near future.

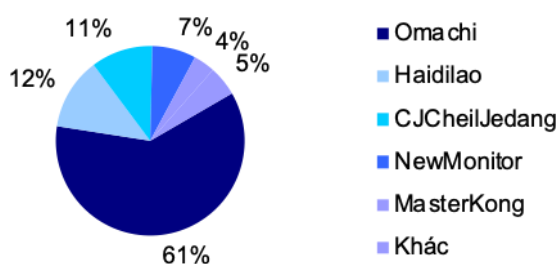
Product line	Featured products	Details
RTD Tea		The product line was launched in November 2023 and recorded positive growth in 2024. The intensified marketing efforts have accelerated brand recognition in the market.
Energy drinks		MCH continues to develop new flavors tailored to younger consumers. Notably, in April 2025, Wake-Up 247 was officially announced as the Official Energy Drink Partner of Manchester City Football Club in Vietnam for the 2025–2027 period. This partnership is expected to significantly enhance brand recognition and serve as a growth catalyst for Masan Consumer's beverage portfolio.
Bottled water		MCH's bottled water sector stands out with the Vinh Hao mineral water brand, the first mineral water brand in Vietnam.
Beer		The Red Ruby Beer brand was launched by Masan in 2020 and initially competed with other alcoholic beverage companies in the market. The advantage of the Winmart system contributed to quickly bringing the brand closer to consumers after its launch

c, Convenient foods

MCH's convenient food brands include Omachi, Kokomi, Hủ Tiếu Story, and Phở Story. Instant noodles (including instant, cooked, vermicelli, and pho noodles, excluding pasta) are the best-selling products in this sector, estimated to contribute over 98% of the total revenue from convenient foods. MCH's two flagship products - Omachi and Kokomi - currently rank third and fourth in the overall market, gradually strengthening their competitive position against rival Acecook.



Self-boiling hot pot brand has the highest revenue on e-commerce platforms in 2024



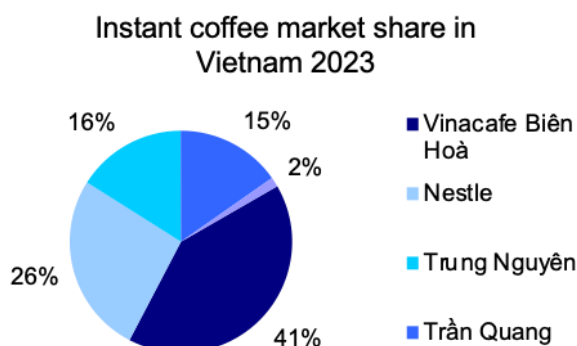
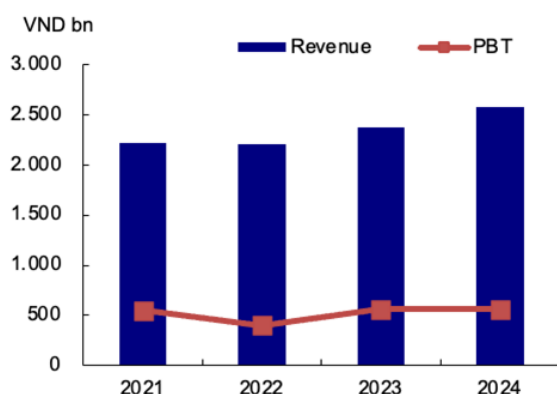
Source: Euromonitor, Metrics, GTJASVN Research

As part of the strategy of premiumization and product diversification, Omachi self-boiling hot pot is identified as the key product and will continue to be focused on development in 2025. In terms of both output and revenue on e-commerce platforms, according to Metrics, Omachi self-boiling hot pot is always in the top 1, beating all other foreign products.

d, Coffee

MCH's instant coffee sector is represented by the Vinacafe Bien Hoa brand through the acquisition of this business since 2011. According to Euromonitor, comparing the leading brands, both MCH's coffee brands including Wakeup and Vinacafe have a very large market share, in which Vinacafe with a market share of 18.1% is ranked 2nd in the market, only after Nescafe. However, this is an industry with uneven annual revenue growth, due to the fact that this product is greatly affected by fluctuations in input costs.

Vinacafe Bien Hoa business results



Source: VCF, GTJASVN Research

e, HPC

This sector of MCH encompasses two brands: Chante and NET (with MCH holding a 52.25% stake in NET Detergent JSC), offering a range of personal and home care products such as laundry detergent and dishwashing liquid. By the end of 2024, NET ranked fifth in Vietnam's laundry detergent market with a 6.4% market share. Chante remains the leading laundry brand within WinCommerce's retail system and has successfully expanded into dishwashing liquids and floor cleaners—both now ranking among the top three in their respective categories.

Revenue from this sector has seen consistent year-on-year growth, primarily driven by ongoing product innovation. However, MCH's overall market share in this sector remains modest at around 2%, due to the dominance of Unilever and P&G, which together hold 71% of the market—equivalent to over VND 50,000 billion in annual sales, according to Euromonitor. Despite fierce competition from international brands, NET detergent has built strong momentum in rural markets, recording 25% growth and ranking among the top 10 most chosen home care brands in these areas.



Urban			Rural		
Rank	Brand	CRP (M)	Rank	Brand	CRP (M)
1	Sunlight	10.3	1	Sunlight	50.7
2	Omo	6.8	2	Omo	40.2
3	Comfort	4.1	3	Comfort	30.4
4	Ha Noi (Tien Hieu)	3.8	4	Lix	23.5
5	Vim	3.7	5	Aba	19
6	Downy	3.5	6	Downy	17.7
7	Lix	2.6	7	Net	13.3
8	Surf	2.6	8	Thanh Ha	11.6
9	Gift	2	9	My Hao	11.2
10	My Hao	1.6	10	Surf	8.7

Source: Kantar

According to Kantar's 2024 statistics, although not in the top of the most chosen detergent products in urban areas, NET detergent has firmly held the 7th position for 2 consecutive years in rural areas.

2.2 Business segment by market

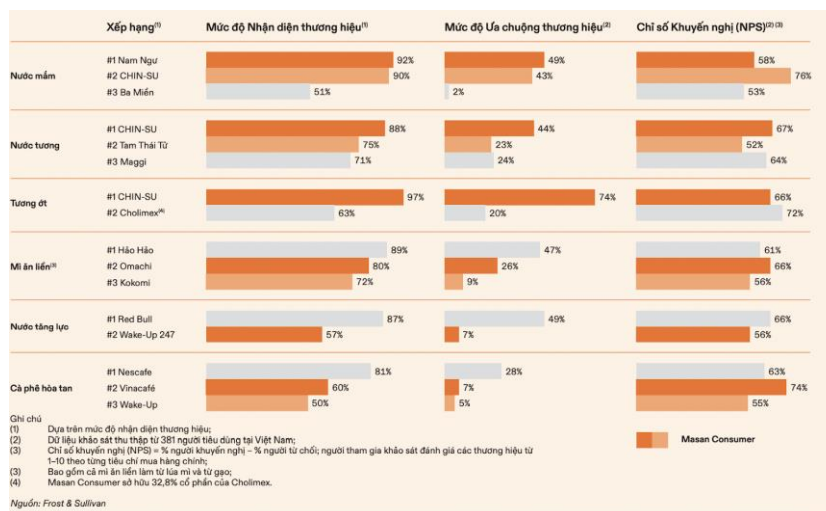
a, Domestic markets

Masan Consumer holds the top position in brand choice among rural consumers and ranks third in urban markets.

Urban			Rural		
Rank	Manufacturers	CRP (M)	Rank	Manufacturers	CRP (M)
1	Vinamilk	60.9	1	Masan Consumer	324.8
2	Unilver	52.0	2	Unilver	297.4
3	Masan Consumer	39.6	3	Vinamilk	223.8
4	Nestle	29.6	4	Wilmar	123.6
5	Suntory Pepsico Vietnam Beverages	27.0	5	Acecook Vietnam	120.4

Source: Kantar

In Vietnam-particularly in rural areas, where nearly 70% of the population resides-Masan Consumer has consistently ranked among the most chosen consumer brands in 2024, thanks to its highly recognizable products across key business categories. According to a recent survey of 378 domestic consumers, Masan Consumer's leading brands demonstrated high brand awareness and were preferred over competing brands. They also achieved strong Net Promoter Scores (NPS), indicating high levels of customer satisfaction and willingness to recommend across most major product sector.



Source: Frost & Sullivan

A large portion of Vietnam’s population lives in rural areas where transportation infrastructure remains limited. Therefore, the ability to effectively reach consumers nationwide is a critical success factor for consumer goods companies. Masan Consumer Holdings (MCH) has built a broad distribution network across both traditional trade (GT) and modern trade (MT) channels, ensuring strong market coverage and consumer accessibility. As of 2024, MCH operates around 313,000 GT points of sale and 8,500 MT outlets. Through this extensive network, combined with close collaboration with WinCommerce’s retail chain via marketing campaigns and product trial programs, MCH has achieved deep market penetration. As a result, by 2024, 98% of Vietnamese households own at least one MCH product—demonstrating the company’s strong market presence and brand recognition.

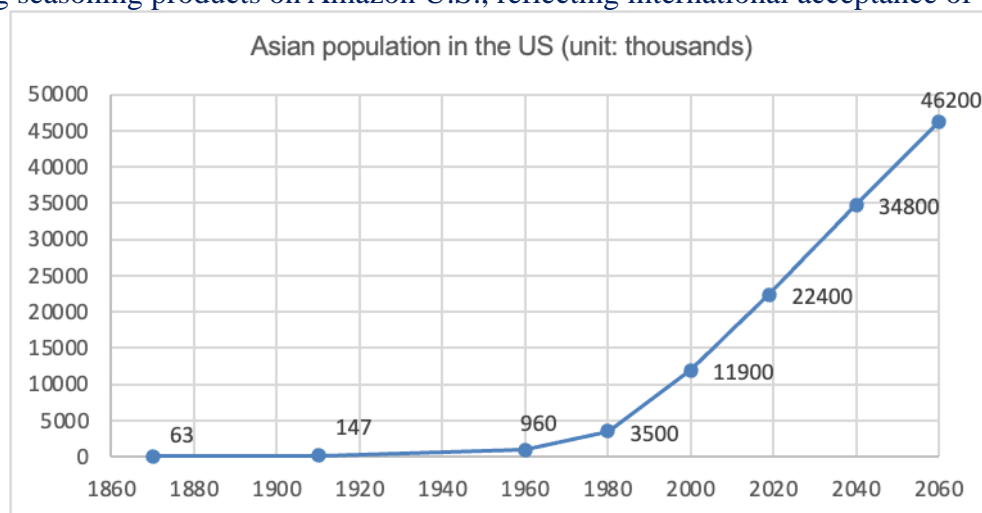
b, Export market

Masan Consumer began disclosing detailed export revenue figures in 2023. Under its “Go Global” strategy, the company targets 15% of total revenue to come from international markets by 2027, compared to just 3.76% in 2023. In Q4 2024, export revenue increased by nearly 31% year-over-year, contributing to a 22.4% full-year growth in export sales, rising from VND 1,062 billion in 2023 to VND 1,299 billion in 2024. Export activities accounted for approximately 4.3% of MCH’s total revenue in 2024.



Source: MCH, GTJASVN RS

Masan Consumer’s products, especially seasonings and instant noodles, have been positively received in major markets such as Japan, South Korea, and the United States. In recent years, the U.S. has become a key market in MCH’s export strategy, supported by the growing Asian middle-class population. Core products like Chinsu and Nam Ngu fish sauce have strong potential due to their alignment with Asian consumer tastes. Chinsu has also achieved recognition by ranking among the top 8 best-selling seasoning products on Amazon U.S., reflecting international acceptance of the brand.



Source: World Economic Forum

However, MCH’s export outlook to the U.S. may face challenges due to unpredictable tax policies under the U.S. presidency and escalating trade tensions. A potential 46% tariff could significantly raise MCH’s

product prices in the U.S. market, weakening its competitiveness against rivals such as Ajinomoto from Japan. Nevertheless, this is not a major concern for the company, as Asian markets like South Korea and Japan are expected to drive export growth in the near term, particularly Japan. MCH has launched a dedicated seasoning product line targeting this market. In March 2024, at Foodex Japan, the company introduced specialty powdered and granulated seasonings, Sriracha chili sauce, and Chin-Su spring rolls, receiving positive feedback from Japanese consumers and partners from over 60 countries. Japan is also implementing a \$100 billion economic stimulus package, which includes corporate support and tax cuts to boost consumer spending. This may create more favorable conditions for MCH to expand its presence in the Japanese market. There remains substantial growth potential for MCH in Japan, currently its second-largest export market. The company's management has also expressed plans to enter China—the largest potential market—with products such as Chin-Su, Omachi, and Vinacafe in the near future.

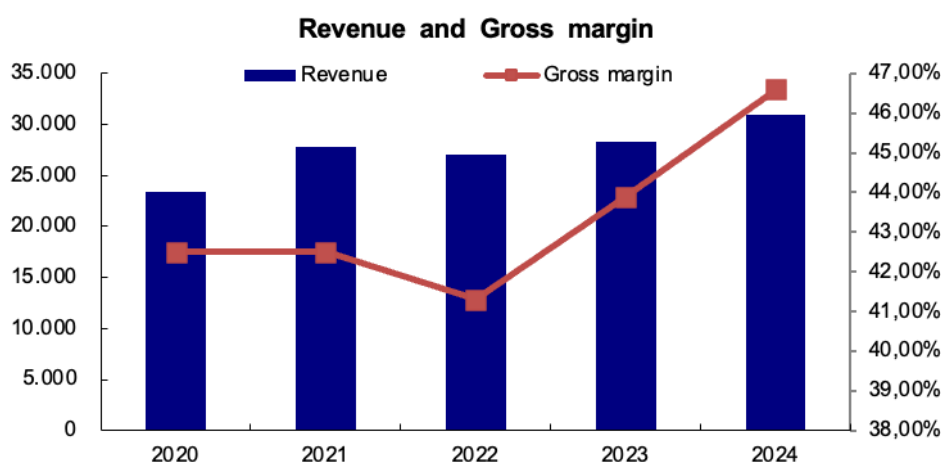
FY23 market size for key export markets

FY23 Market size				
Total	\$6.0B	\$36.8B	\$8.1B	\$3.6B
Seasonings ¹	\$2.3B	\$15.1B	\$1.2B	\$0.4B
Instant noodle	\$2.7B	\$19.3B	\$5.7B	\$2.3B
Instant coffee	\$0.9B	\$2.3B	\$1.1B	\$1.0B

Source: MCH

III. FINANCIAL ANALYSIS

In 2024, Masan Consumer recorded net revenue of VND 30,897 billion, achieving 99% of its business plan and increasing by 9.4% year-over-year, driven by sales growth in seasonings, convenient foods, and non-alcoholic beverages. Gross profit margin rose by 70 basis points to 46.6% in 2024 from 45.9% in 2023, mainly due to a revenue mix shift toward high-margin premium categories, particularly seasonings and convenient foods. By applying the 80/20 principle—where 80% of revenue comes from 20% of SKUs—MCH focused on high-impact products. Margin improvement was supported by the premiumization of key items such as Nam Ngu fish sauce and self-heating hotpots. The other three sectors experienced slight margin declines due to rising input and packaging costs. According to the Group's report, reasonable price increases in 2024 also contributed to the overall margin improvement.



Source: MCH, GTJASVN RS

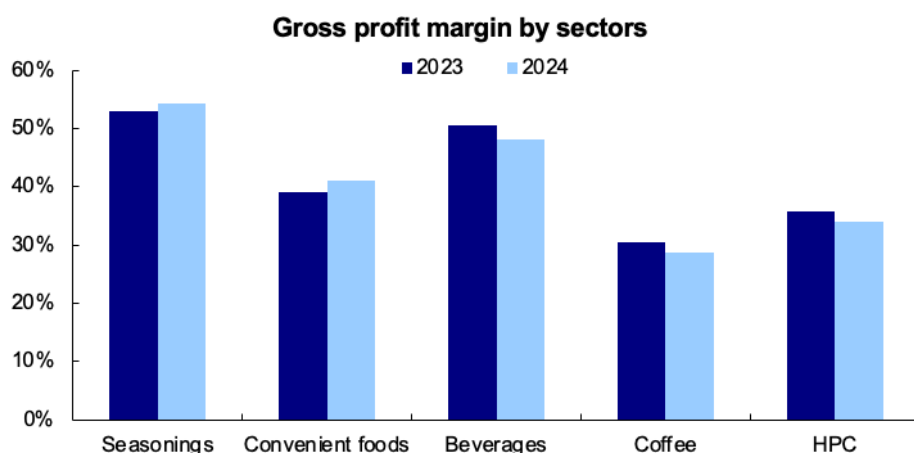
WinMart's revenue in 2020–2021 showed strong growth despite the impact of the COVID-19 pandemic, mainly driven by shifts in consumer behavior and purchasing psychology. During social distancing, demand for online shopping surged, and WinMart leveraged its online sales platform launched in 2019. Revenue growth during this period was led by three key categories: convenient foods, meat, and seasonings. The convenient food sector in particular recorded a 25.4% increase, reflecting a consumer

trend toward products that are both practical and health-conscious—aligned with a willingness to spend more on health during the pandemic.

In 2022, revenue declined despite the removal of COVID-related restrictions, primarily due to consumer spending tightening in the face of economic challenges, especially record-high inflation. According to management, this decline was short-term and partly intentional, aimed at helping distributors normalize inventory levels. This move was considered a strategic preparation for Masan Consumer to overcome difficulties in the first half of 2023 while creating room for growth through upcoming product launches.

Gross margin is affected by fluctuations in raw material prices

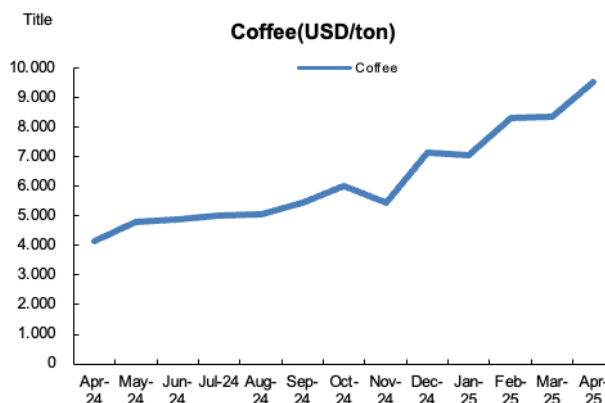
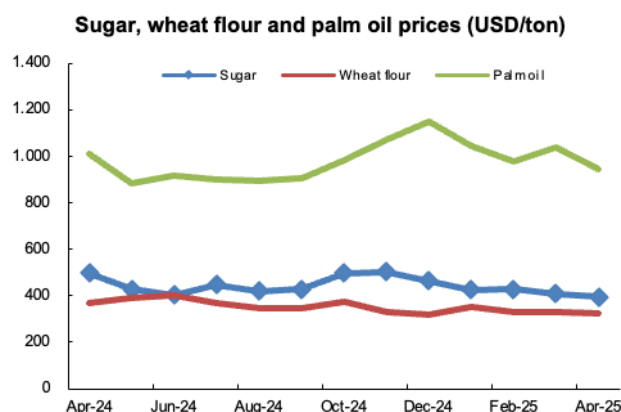
MCH's key raw materials include palm oil, wheat flour, sugar, and coffee. Over the past 12 months, input prices have shown a clear divergence. Major commodities such as sugar, palm oil, and wheat flour have cooled significantly from their peak levels at the end of 2024. Specifically, wheat flour and sugar prices have declined by approximately 21.7% and 21.6%, respectively, while palm oil prices have fallen to USD 326 per ton—the lowest level in the past year. Domestic sugar prices are expected to continue declining due to abundant supply from domestic production, official imports, and smuggled sugar, as Thailand's 2024/25 sugar crop is projected to rise 18% year-over-year, further boosting illicit supply. These developments are expected to support gross margins in sectors such as convenient foods and beverages.



Source: MCH, GTJASVN RS

In contrast, coffee prices surged by as much as 130% during the same period, putting significant pressure on production costs for coffee-related products. According to the Vietnam Commodity Exchange, concerns over supply shortages in the world's two largest coffee producers—Brazil and Vietnam—have driven prices to record highs. Nevertheless, with a strategy focused on supply diversification, proactive inventory management, and product portfolio adjustments to optimize margins, MCH is expected to effectively manage raw material risks in the short and medium term.

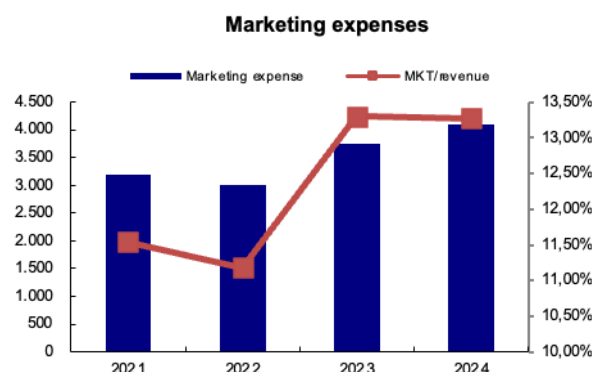
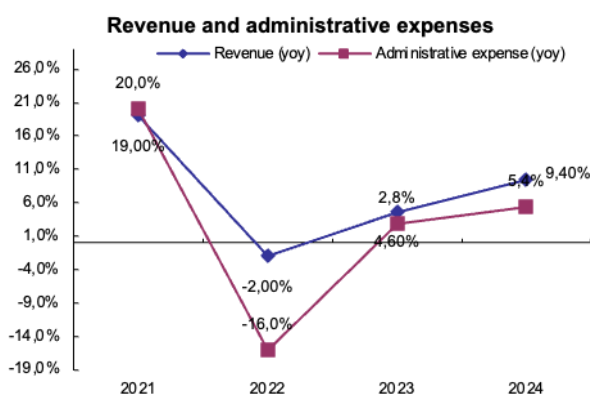
In 2025, MCH anticipates an increase in key input material prices. To mitigate price volatility, the company has implemented strategies such as forward contracts to secure raw material costs and leveraging brand strength to adjust selling prices. MCH's diversified product portfolio also helps reduce the impact of price fluctuations in any single input material on overall profitability. Additionally, the value of raw materials held by MCH at the end of 2024 rose by nearly 12% year-over-year, indicating that the company may have stockpiled a portion of essential inputs. Imported materials were procured through an intermediary trading entity to minimize the impact of the expected price upcycle.



Source: MCH, GTJASVN RS

Enhancing promotional activities

As a company that drives growth through product launches and brand expansion, MCH has been increasing its investment in marketing activities to strengthen brand positioning and support revenue growth amid intensifying competition in the consumer goods market. From 2021 to 2024, MCH's marketing expenses showed a clear upward trend, especially from 2023, when the company continuously introduced innovative and pioneering products. Specifically, after a slight decline from VND 3,205 billion in 2021 to VND 3,015 billion in 2022, marketing expenses rose sharply to VND 3,756 billion in 2023 and further increased to VND 4,099 billion in 2024.

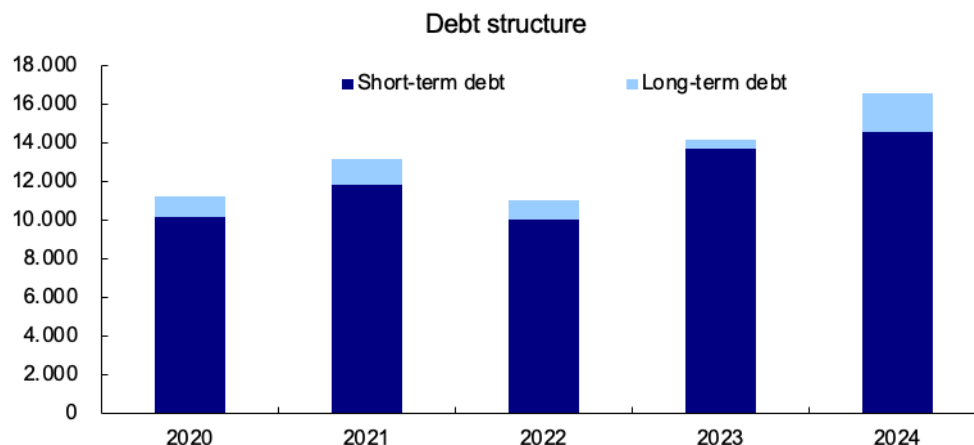


Source: MCH, GTJASVN RS

MCH's administrative expenses during the 2021–2024 period reflected a flexible adjustment trend in line with revenue fluctuations. In 2021, administrative costs rose by 20.04%, closely matching the 19% revenue growth, indicating the company's operational expansion during a growth phase. However, in 2022, as revenue declined slightly by 2%, MCH responded promptly by cutting administrative expenses by 16.04%, demonstrating strong cost control and adaptability in an unfavorable market environment. In the following two years, administrative costs increased again but at a slower pace than revenue growth—rising by 2.78% in 2023 and 5.41% in 2024, compared to revenue growth of 4.6% and 9.4%, respectively. This indicates that MCH is gradually optimizing its administrative operations, improving operational efficiency, and enhancing profitability through effective fixed cost management.

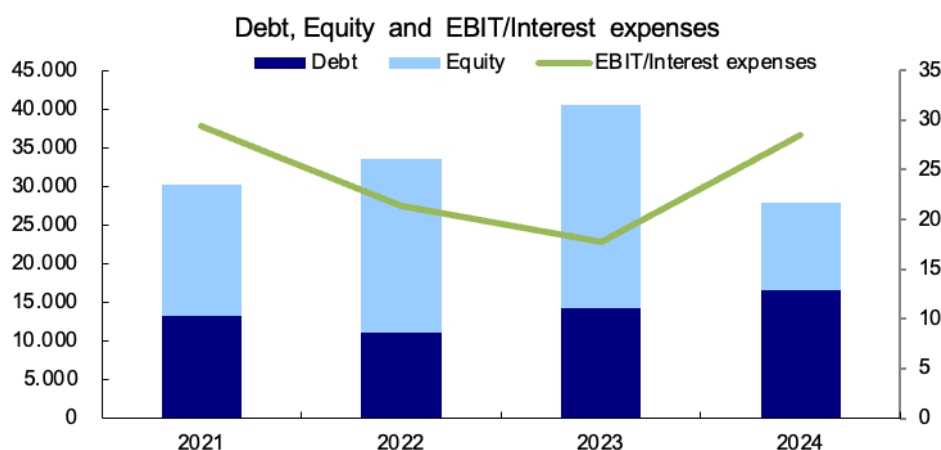
Short-term debt accounts for the majority of the company's loan structure

From 2020 to 2023, Masan Consumer Holdings (MCH) maintained a short-term debt-heavy structure, reflecting the nature of the FMCG sector and its financial strategy. High working capital needs to support nearly 180,000 retail outlets and long receivable cycles led MCH to favor short-term bank loans and supplier credit to ensure liquidity and minimize capital costs. Its close ties with Techcombank provided access to low-interest short-term funding. Additionally, the company's history of large-scale M&A deals, such as Vinacafé Biên Hòa, Hoa Mười Giờ, and NETCO, further increased the proportion of short-term debt to finance product portfolio expansion. However, this short-term debt orientation also exposes MCH to liquidity risk, especially in periods of unstable operating cash flow.



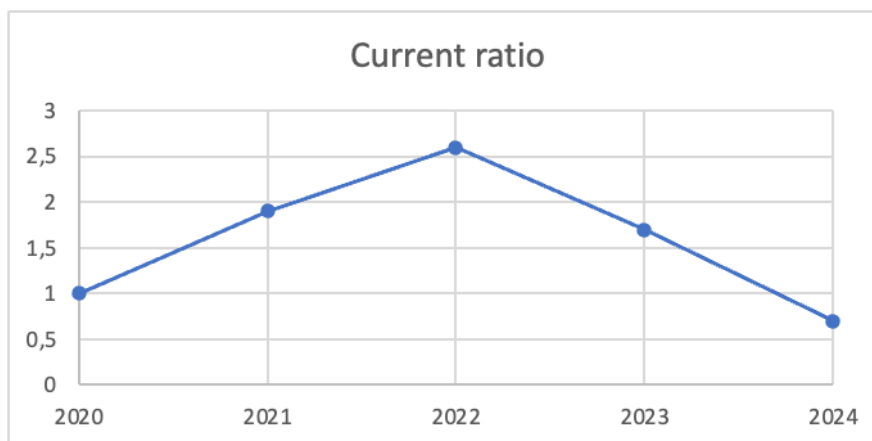
Source: MCH, GTJASVN RS

In 2024, MCH recorded a sharp increase in long-term debt—up approximately 340% year-over-year—mainly driven by loans for plant construction and upgrades, such as the seasoning factory project in Binh Duong and the personal care production line in Ha Nam. This indicates a gradual shift toward a more sustainable capital structure, reducing short-term repayment pressure and creating financial room for long-term growth plans, including a planned stock exchange transfer in 2025 to strengthen financial capacity and reduce reliance on short-term debt.



Source: MCH, GTJASVN RS

As of the end of 2024, MCH's total borrowings reached VND 1,657 billion, up 17% year-over-year, while equity declined by 57% from VND 26,376 billion as of December 31, 2023, causing the D/E ratio to rise sharply—exceeding 1 for the first time during 2021–2024. This shift supports the company's R&D-driven strategy to continuously develop high-volume products, which has contributed to record-high profits and enabled large dividend payments in the past year. Although R&D expansion has kept interest expenses elevated, the interest coverage ratio has continued to improve, ensuring the company's debt repayment capacity.



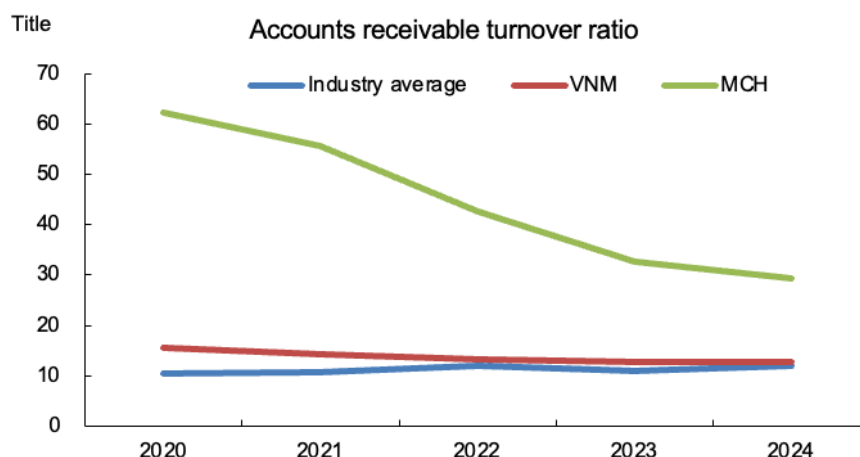
Source: MCH, GTJASVN RS

The current ratio in 2024 was 0.7, continuing a sharp downward trend since 2022. The rapid decline in MCH's liquidity over the past three years was mainly due to continuous cash dividend payouts, which significantly reduced current assets from VND 23,921 billion to VND 10,393 billion in 2024. Specifically, the company paid a 55% dividend for 2023 in July, followed by an additional 168% in September, and advanced a 95% dividend for 2024 (VND 7,000 billion) in December. These large outflows led to a substantial drop in cash and cash equivalents, causing the current ratio to fall from 2.6 in 2022 to 0.7 in 2024, signaling increased liquidity risk.

High financial leverage, with short-term debt consistently accounting for a large proportion, has further intensified payment pressure. However, in the context of the FMCG sector—with stable cash flow from essential consumer goods and credit support from Techcombank—MCH has the potential to manage this risk. Management remains confident in the quality of its assets (mainly collectible receivables and strong brand value), prioritizing dividend payouts to maintain shareholder confidence and support the planned exchange transfer rather than accumulating cash. Nonetheless, this strategy carries risks if operating cash flow weakens due to heightened competition or if the listing transfer falls short of expectations. At the Annual General Meeting on April 25, with optimistic revenue and profit forecasts, the Board proposed and received approval to advance cash dividends for 2025 from retained earnings, with a maximum rate of up to 60%.

Dividend Payment History of MCH

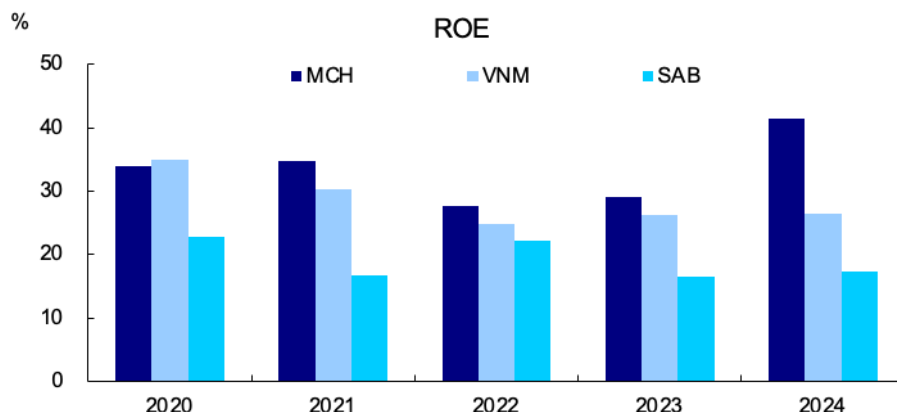
Date	Details
14/08/2023	Pay 2023 dividend in cash, 4500VND/shares
12/07/2024	Pay 2023 dividend in cash, 5500VND/shares
04/10/2024	Pay 2023 dividend in cash, 16800VND/shares
30/12/2024	Pay 2024 dividend in cash, 9500VND/shares
11/02/2025	Exercise the rights offering
25/04/2025	Propose an interim dividend payment for 2025 at a rate of 60%



Source: MCH, GTJASVN RS

MCH's receivables turnover ratio during 2020–2024 remained consistently high, outperforming the industry average and key competitor VNM, indicating strong debt collection capability. However, the steady decline from 62.28 in 2020 to 29.42 in 2024 suggests a gradual loosening of credit policy, which should be monitored closely to manage cash flow risk.

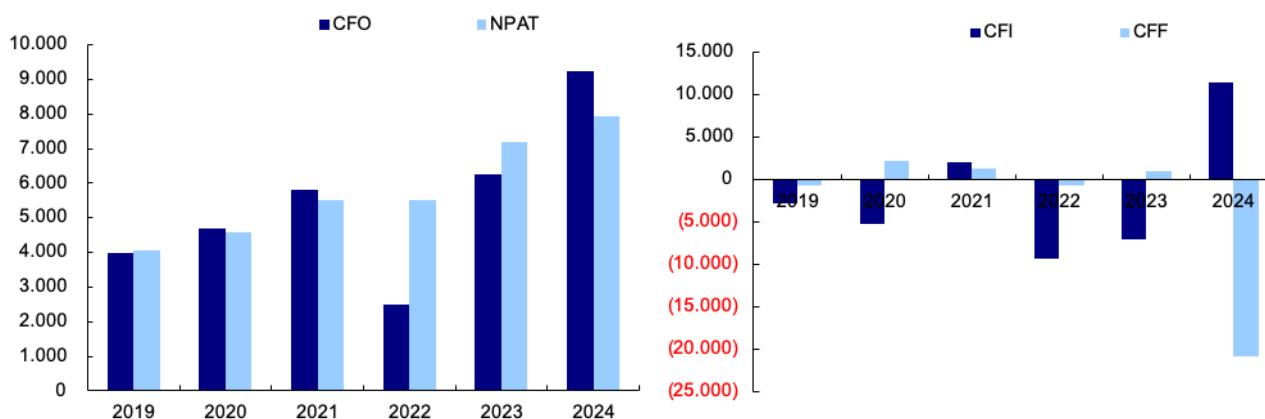
ROE in 2024 surged sharply due to reduced equity from dividend payments.



Source: MCH, GTJASVN Research

In Q1 2025, MCH offered over 326.8 million shares at VND 10,000 per share with a rights execution ratio of 45.1%, expecting to raise more than VND 3,268 billion. Masan Consumer Holdings (a subsidiary of Masan Group, holding 72.8%) subscribed to 69.2 million out of 302.7 million eligible shares, which is expected to reduce the ownership of Masan Consumer Holdings and Masan Group to 70.4% and 51%, respectively. According to the company, the reduction in ownership aligns with HOSE listing requirements, which mandate that at least 20% of voting shares must be held by a minimum of 300 non-major shareholders. At the 2025 AGM, management announced that MCH's listing transfer would be completed by Q3 2025. The plan is expected to enhance asset quality by improving liquidity, increasing asset efficiency, and supporting both domestic and international growth strategies.

MCH cash flow assessment



Source: MCH, GTJASVN Research

During 2019–2024, MCH's operating cash flow (CFO) showed a positive trend, notably reaching VND 9,227 billion in 2024—exceeding net profit and indicating strong cash flow quality. The temporary decline in 2022 was due to short-term financial strategies, including investments in trading securities and debt repayments, but CFO returned to positive levels in 2023–2024.

In 2024, MCH's investing cash flow (CFI) recorded a sharp reversal to a positive VND 11,474 billion, compared to a negative VND 7,088 billion in the previous year. This shift was mainly driven by the withdrawal of term deposits and proceeds from other financial investments totaling VND 28,357 billion, while new deposits amounted to only VND 17,931 billion. The withdrawal likely aimed to support several disclosed objectives, including: (i) increased marketing spending and large-scale product launches, (ii) cash dividend payments, and (iii) capital preparation for potential M&A

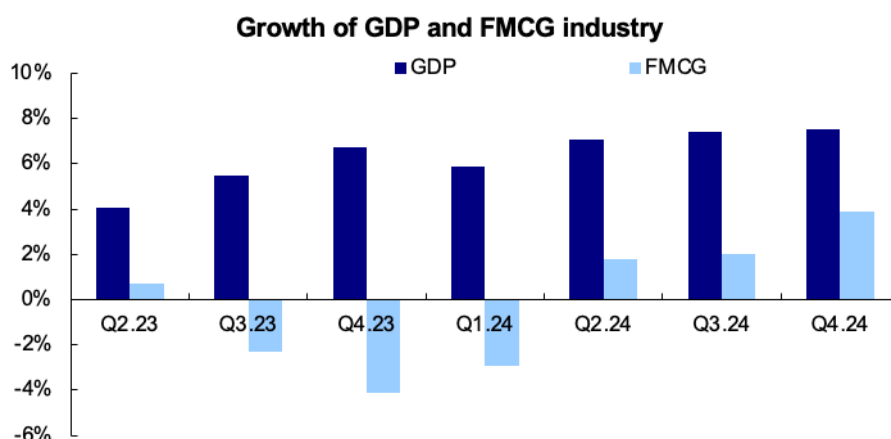
opportunities in the personal care sector. At the same time, financing cash flow (CFF) in 2024 reached a record low of –VND 20,816 billion, primarily due to significant dividend payouts amounting to –VND 23,070 billion.

IV. BUSINESS PROSPECTS

4.1. FMCG sector outlook

Vietnam’s fast-moving consumer goods (FMCG) market is experiencing robust growth, supported by solid economic development, rising disposable income, and shifting consumer behavior. According to Frost & Sullivan, the market is projected to reach USD 58.4 billion by 2029, growing at a **CAGR of 9.7%** from 2024. Growth is being driven by urbanization, the expansion of the middle class, and changes in retail models-particularly the increasing penetration of modern retail formats such as supermarkets, shopping centers, and convenience stores.

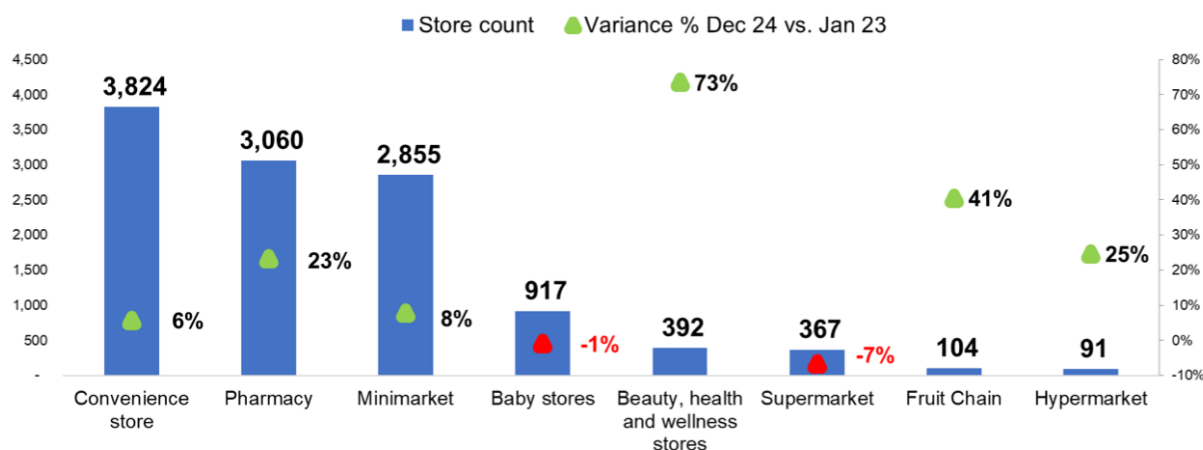
In 2023, the FMCG sector faced challenges as consumer spending weakened despite GDP growth, reflecting a lagged macroeconomic impact on consumption. However, starting from Q2 2024, the sector has shown strong recovery, with positive quarterly growth momentum. With this clear rebound, along with supportive policies and a resurgence in domestic demand, the FMCG sector outlook for 2025 is **positive**.



Source: NielsenIQ

Expectations from tourism recovery: In Q1 2025, international tourist arrivals increased by 29.6% year-over-year. Combined with the continued expansion of convenience store chains in 2025, this provides a solid foundation for convenient products to sustain growth in the coming year.

of modern self service stores December 2024



Source: Cimigo

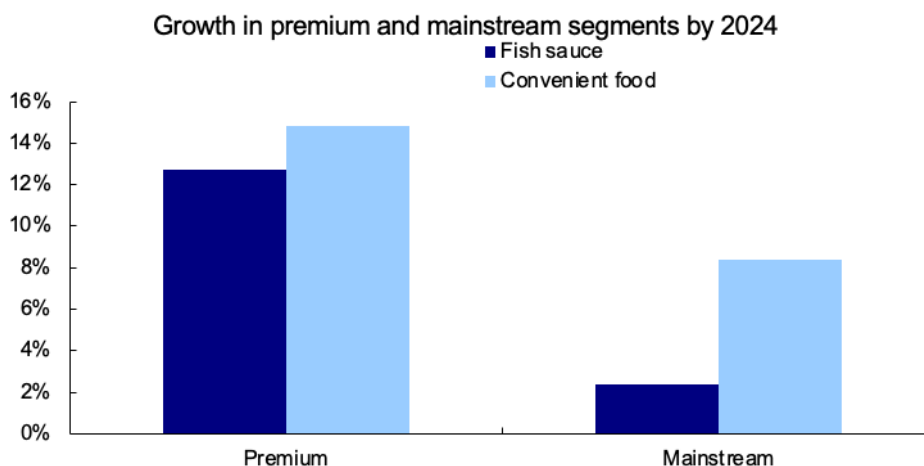
With uncertainty surrounding future tax policies under President Donald Trump, the government's GDP and employment growth targets may be affected, posing risks of declining FDI and job losses for workers. Under such conditions, consumer purchasing power and sentiment are likely to be negatively impacted. However, the government is actively supporting the consumer goods sector through policies such as

- The continued application of the VAT reduction policy from 10% to 8% until the end of June 2025 helps support short-term purchasing power in the consumer goods sector, thereby stimulating domestic consumption and aiding production recovery-especially as the middle class accounts for a large proportion of Vietnam's population.
- On April 4, 2025, the Ministry of Industry and Trade issued Directive No. 08/CT-BCT on implementing measures to boost domestic market development and stimulate consumption in 2025. The directive sets a target of increasing total retail sales of goods and services by around 12%, in support of achieving GDP growth above 8% as outlined in Government Resolution No. 25/NQ-CP. Proposed measures include organizing conferences on market development solutions, implementing supply-demand connection programs, promoting the consumption of Vietnamese and OCOP products, and studying international practices to develop appropriate consumption stimulus policies. These initiatives are expected to create favorable conditions for the strong development of the consumer goods sector in 2025, contributing to economic growth and improving consumer purchasing power.

4.2. Masan Consumer business outlook

Masan's business strategy focuses on three core pillars: product premiumization, new product development, and the "Go Global" strategy, which together serve as key growth drivers for the company.

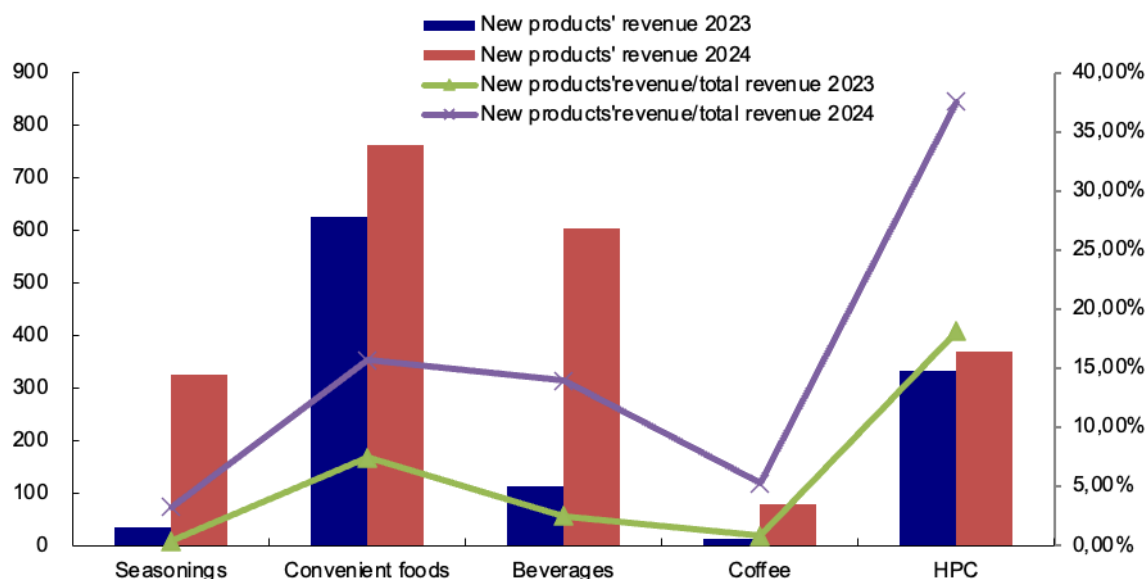
4.2.1 Continuous product premiumization aims to target new customer segments and expand profit margins.



Source: MCH, MSN

In a consumer goods market showing signs of saturation, where major competitors already hold established market positions, product premiumization has become MCH's top strategy for sustaining growth. This approach is unlocking significant growth potential, particularly in its two core categories: **fish sauce and convenient foods**. Data shows that premium segments are growing much faster than their mainstream counterparts, **with premium fish sauce growing by 12.7% compared to only 2.4% for the standard segment, and premium convenient foods growing by 14.8%, nearly double the 8.4% growth in the regular segment**. This reflects a clear consumer shift toward higher-value products, as consumers are increasingly willing to pay for better quality, branding, and overall experience. With strong brand equity, an extensive distribution network, and agile product development capabilities, MCH is well-positioned to accelerate premiumization across its portfolio—expanding profit margins and increasing the average value per transaction.

4.2.2. New product development



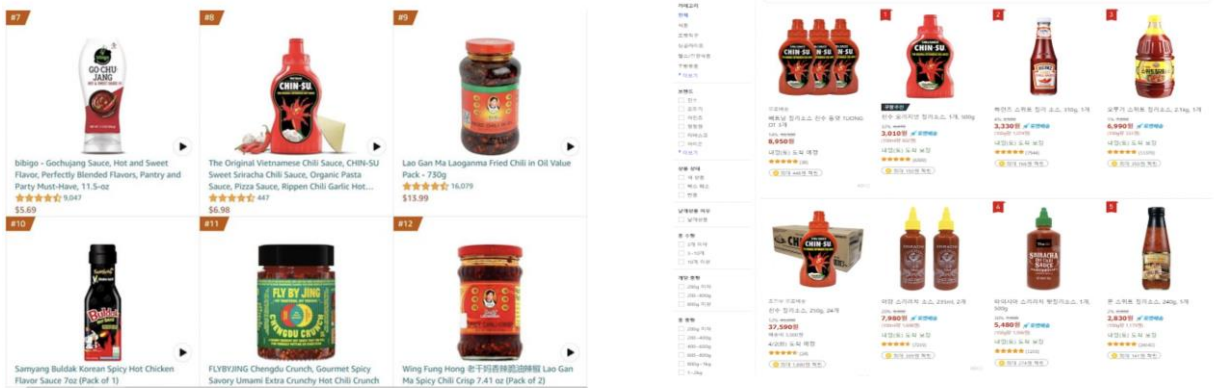
Source: MCH, GTJASVN RS

During 2023–2024, MCH recorded strong growth in revenue from new products, rising from VND 1,119 billion to VND 2,142 billion—an increase of **91.4%**. This indicates that new product development and launches are playing a key role in driving overall revenue growth. Notably, categories such as seasonings (+828.6%), beverages (+435.4%), and coffee (+507.7%) posted outstanding growth, reflecting MCH’s ability to quickly capture consumer trends and its potential to expand market share in these sectors. Meanwhile, convenient foods remained the largest contributor in absolute value. These results reinforce the central role of product innovation in MCH’s long-term growth strategy

The proportion of revenue from new products in 2024 increased noticeably across most categories compared to 2023, reflecting the company’s strategic focus on diversifying its portfolio and driving growth through product innovation. **Beverages** saw the sharpest rise, from 2.46% to 11.48%, with new launches such as energy drinks and bottled tea gaining strong market traction. Although **coffee and seasonings** had lower revenue contributions from new products, both categories still recorded slight increases. **Convenient foods** maintained a high proportion, rising from 7.4% to 8.28%, indicating steady innovation in a category already familiar to consumers. In contrast, the **HPC** sector—which initially had a high share of new product revenue—only saw a modest increase, suggesting that high competition and fast product cycles in this sector make continuous innovation a necessity.

4.2.3. “Go Global” strategy – targeting E-commerce platforms for international expansion

The “Go Global” strategy continues to play a key role in MCH’s development roadmap. The company’s export outlook remains positive, particularly through the use of cross-border e-commerce platforms. MCH is actively expanding sales via international e-commerce channels such as Amazon, Alibaba, Tmall Global, and Shopee International Platform (SIP), allowing direct access to overseas consumers without the need for heavy investment in traditional distribution networks. Core products such as instant noodles, seasonings, and ready-to-eat foods—which already have strong recognition among overseas Vietnamese and broader Asian communities—are being optimized in terms of packaging, design, and marketing to better align with local preferences. Leveraging e-commerce not only enables MCH to rapidly expand its global customer base at lower cost, but also allows for flexible testing of new products in specific markets. Additionally, rising demand for convenient foods and Asian flavors in developed markets provides a favorable foundation for export growth through this channel. However, to fully capture the potential of global e-commerce, MCH must continue investing in logistics capabilities, ensuring product compliance with international standards, and strengthening its digital marketing competencies.



Source: Amazon, Coupang

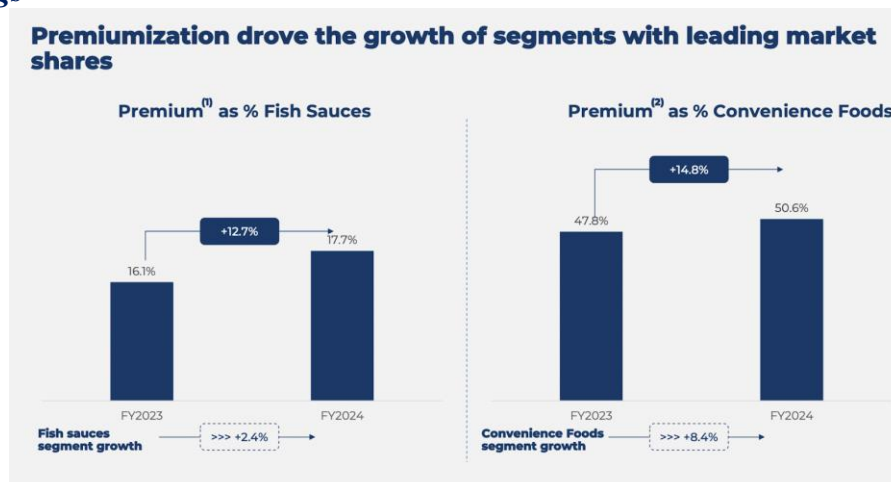
4.3. 2025 earnings forecast

2025 earnings forecast by sectors

	2024	2025F	% YOY	Details
Seasonings	11,195	12,315	+10%	Revenue is supported by stable demand tied to traditional meal occasions, along with the ongoing product premiumization strategy.
Convenient foods	9,215	10,320	+12%	Benefiting from emerging consumer trends and expanding market share in the premium noodle sector.
Coffee	1,769	1,945	+10%	Taking advantages of the growing demand for instant coffee while accelerating export expansion
Beverages	5,271	5,745	+9%	Facing intense competition, with growth driven by the rollout of postponed product innovations from 2024
HPC	1,901	1,996	+5%	Sluggish growth, with a need for innovation to compete directly with international brands

Specifically, MCH business prospects by sector

a, Seasonings



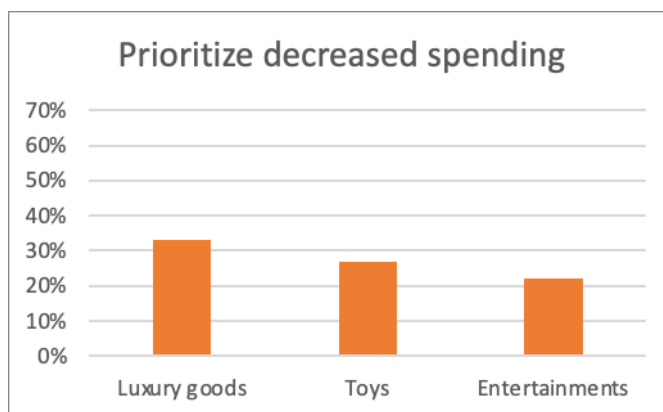
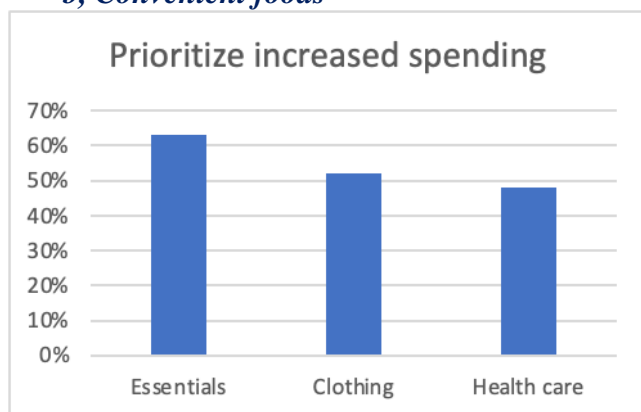
Source: MCH

In the fish sauce sector, Masan is the **only** Vietnamese brand ranked among the top five fish sauce brands by market share in the Asia-Pacific region. Although MCH captured a dominant 45% market share in 2023, premium products still have room for further growth, accounting for only 17.7% of fish sauce revenue in 2024. MCH is expanding its portfolio of recipe-based dipping sauces to meet diverse

taste preferences and consumer demand for convenience. In addition, the seasonings sector continues to grow with the introduction of new categories such as mayonnaise, seasoning powders, oyster sauce, cooking oil, green chili salt, red chili salt, and other convenient spice blends—targeting younger consumers with a focus on premium positioning and health-oriented products.

Although MCH secured a dominant **70%** market share in the fish sauce sector in 2024, premium products still have room to increase their contribution to revenue without requiring a significant rise in volume, as premium fish sauce currently accounts for only 17.7% of the sector’s revenue. The premium convenient food market is growing faster than the overall industry and represents about half the size of the current market, offering further upside. With strong brand equity and an extensive distribution network, MCH is well-positioned to boost revenue by improving average selling prices, as premium products are priced 0.5 to 1.5 times higher and deliver gross margins 10–15% greater than standard offerings. Export revenue is also expected to improve, supported by growth in key markets such as the U.S., Japan, South Korea, and Europe

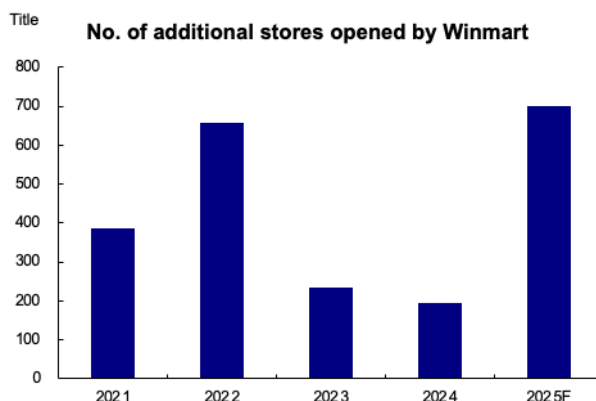
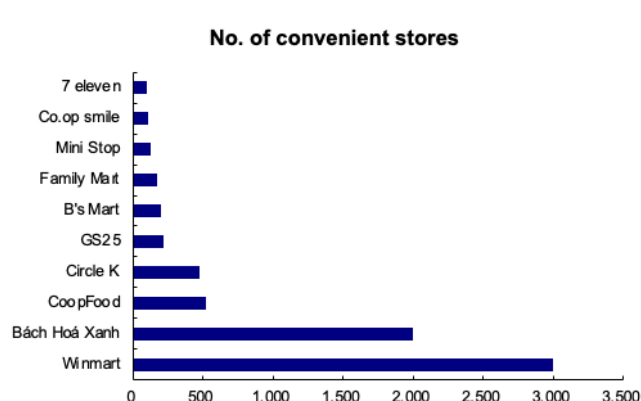
b, Convenient foods



Source: PwC

Despite facing the risk of an aging population, Vietnam’s working-age population is expected to continue growing for at least the next ten years, according to the General Statistics Office. Cimigo reports that 88% of Vietnamese women of working age are employed—the highest rate in the region. These factors are shaping a new consumer trend: prioritizing convenience without compromising health. In 2024, premiumized products accounted for 50.6% of MCH’s convenient food revenue, marking a 14.8% increase year-over-year.

In addition, MCH’s convenient food revenue is expected to remain supported by the nationwide expansion of convenience store chains, particularly through WinMart/WinMart+—MCH’s strategic distribution channel—which leads the market with around 3,000 outlets. According to Masan’s report, MCH recorded a CAGR of 84% in the WinCommerce network from 2019 to 2024. As part of the Masan ecosystem, MCH products like Omachi and Kokomi benefit from prioritized shelf space and access to the WIN Membership program, which has 9 million members. In 2025, WinMart plans to **open an additional 500–700 stores**, creating more opportunities for MCH to expand its reach and introduce new convenient food products to a broader customer base.



Source: MCH, GTJASVN Research

In the instant noodle market—a key growth driver of the convenient food sector—MCH has significant opportunities to expand its market share both domestically and internationally. Vietnam ranked 4th globally in instant noodle consumption in 2023, with 8.1 billion servings. MCH's target export markets, such as Japan and the U.S., are also among the top consumers of instant noodles worldwide. With its premiumization strategy and differentiated product positioning—transforming instant noodles from a convenience item into a family meal—MCH is positioned to raise price points while maintaining revenue and stable profit margins. In line with this direction, MCH plans to revamp the image and branding of Kokomi, currently positioned as a budget product, to better target the mass-market segment.

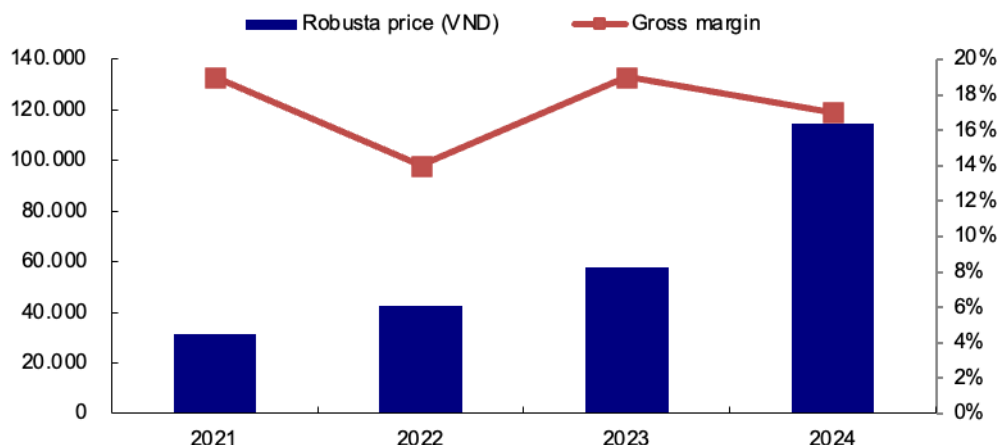
Rank	Nation	Area	2023 consumption (billion servings)	Rank	Nation	Area	2023 consumption (billion servings)
1	China, Hongkong	Asia	42,2	7	Philippines	Asia	4,4
2	Indonesia	Asia	14,5	8	Korea	Asia	4
3	India	Asia	8,7	9	Thailand	Asia	4
4	Viet Nam	Asia	8,1	10	Nigeria	Africa	3
5	Japan	Asia	5,8	11	Brazil	South America	2,6
6	USA	North America	5,1	12	Russia	Asia/ Europe	2,2

Source: World Instant Noodles Association (WINA)

c, Coffee

According to a report by Mordor Intelligence, the size of Vietnam's instant coffee market is projected to grow from USD 472.61 million in 2023 to USD 706.06 million by 2028, with a compound annual growth rate (CAGR) of 8.13%. In Q1 2025 alone, Vinacafe reported a profit of VND 160 billion, up 44% year-over-year, achieving 33% of its full-year profit target for 2025.

Robusta price and Coffee's gross margin



Source: MCH, GTJASVN RS

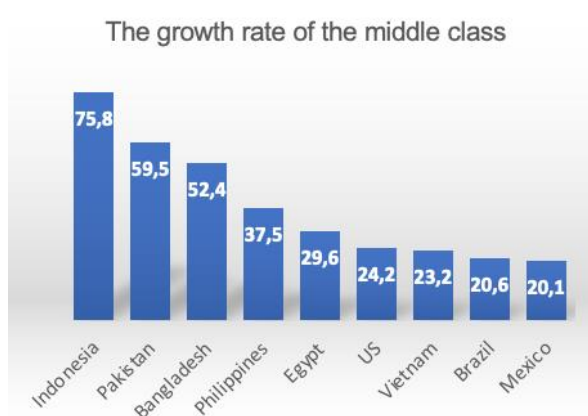
Robusta coffee prices surged nearly 3.6 times from 2021 to 2024, placing significant pressure on the profit margin of the coffee sector. Margins tend to contract during periods of sharp price increases, reflecting the high sensitivity of gross profit to raw material costs. Due to the nature of the FMCG and instant coffee industry, input costs account for a large portion of total expenses, while selling prices are less flexible and slower to adjust. As a result, input cost increases often outpace price adjustments, compressing margins. In the short term, coffee margins remain vulnerable to global price trends, as Vinacafe's raw material costs still heavily depend on inventory levels.

Coffee consumption per capita in Vietnam remains low, averaging just 2 kg/person/year, significantly below countries like the U.S. (4.2 kg), Brazil (5.8 kg), and Finland (12 kg), indicating substantial domestic growth potential. However, the past year was challenging for local instant coffee producers. The rise of modern-style coffee shops has expanded consumer preferences beyond traditional instant coffee, intensifying an already competitive market. **Despite these challenges, the outlook for instant coffee remains positive.** In the context of ongoing economic uncertainty, consumers—especially younger demographics—are increasingly shifting to home-brewed coffee to save costs, driving demand for convenient options like instant coffee. According to Decision Lab (2024), the proportion of Vietnamese youth (ages 18–34) preparing coffee at home rose by nearly 20% year-over-year, driven primarily by financial concerns and the work-from-home trend. This shift presents new opportunities for industry players, particularly those that can combine convenience, affordability, and flavor innovation to meet evolving consumer preferences.

In the coming period, the coffee sector will continue to drive innovation and breakthrough product development while expanding into international markets under the Go Global strategy, with a focus on the Vinacafé and Wake-Up brands through large-scale marketing and sales campaigns. In 2024, MCH laid a solid foundation for exports by actively participating in major trade fairs and export exhibitions, such as Foodex Japan and the Seoul International Cafe Show—the largest coffee exhibition in Asia.

d, Beverages

The global ready-to-drink tea and coffee market was valued at an estimated USD 10.362 billion in 2022 and is projected to grow at a compound annual growth rate (CAGR) of 6.2% from 2023 to 2030.



Source: GTJASVN RS

A young population, rapid urbanization, and an expanding middle class are driving increased consumption of bottled beverages. Additionally, MCH benefits from a wide-reaching strategic distribution network, giving its beverage products greater customer exposure compared to other brands. Within the same ecosystem, MCH's newly launched products are consistently placed in prominent shelf locations, supported by regular sampling programs at WinMart stores, and prioritized for promotions through the WIN Membership program.

Beverage sector revenue is expected to improve significantly in 2024, supported by the strategic delay of product launches to align with more favorable market timing and the impact of large-scale marketing campaigns targeting diverse customer sectors. Notable campaigns include:

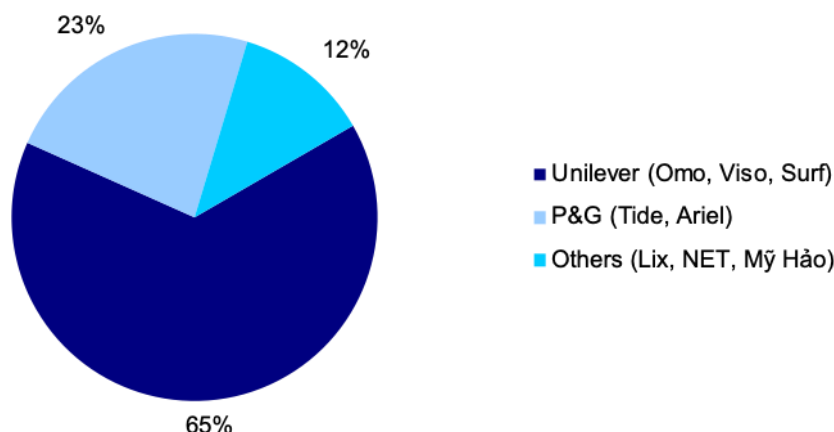
- **Búp Non Tea** sponsored the show "Anh trai vượt ngàn chông gai," aiming to engage younger consumers.
- **Wake Up 247** announced a partnership with Manchester City and launched a new product line targeting female customers—expanding its consumer base and enhancing international brand visibility through LED advertising during official matches

e, HPC

As MCH's newest business sector—having entered the market only within the past five years—and given that Vietnam's detergent and liquid laundry market is dominated by foreign brands such as Unilever and P&G, MCH will need to make greater efforts to secure a meaningful market share.

However, MCH's home and personal care revenue is expected to maintain a growth rate of 4–5%, supported by the initial expansion of Chante's distribution through the general trade (GT) channel and the projected recovery in NET detergent sales following temporary distribution disruptions during post-M&A system integration. In 2025, the sector will continue to drive revenue growth by expanding the NET brand nationwide, further developing the Chante brand, and introducing the new Santoso shampoo and body wash line through WinCommerce before scaling up distribution across the country.

Market share of detergent powder in Vietnam



Source: Unilever, GTJASVN RS

V. VALUATION AND RECOMMENDATION

Based on two valuation methods, we recommend **HOLD** for **MCH** stock with a target price of **116,088 VND** per share, representing a Downside of -9,3% compared to the closing price on May 13, 2025.

Method	Percentage	Valuation
FCFF	50%	128,704
P/E	50%	103,472
The average target price		116,088

5.1 FCFF Valuation (50%)

For the FCFF discounted cash flow valuation model, we project revenue growth in 2025 to reach VND 34,913 billion (+13% YoY), lower than the target set by MCH (15%) at its Annual General Meeting, reflecting less favorable macro conditions compared to earlier in the year due to the impact of tariff policies, which are weighing on domestic purchasing power and competitiveness in export markets. Accordingly, we estimate the company's 2025F net profit attributable to shareholders at approximately VND 7,500 billion

Billion (VND)	2025F	2026F	2027F	2028F	2029F
EBIT	9426	10369	11406	12775	14691
Tax	1225	1348	1482	1660	1909
Amortization & Depreciation	750	806	844	946	1088
CAPEX	1256	1382	1520	2365	2720
Change in NWC	-167	-184	-202	-227	-261
FCFF	7862	8629	9450	9921	11410
Present value FCFF	7303	7136	7107	6786	7096
Terminal value (3%)			104,990		
Enterprise value			140,420		
Minus: Debt			10,830		
Plus: Cash			5677		
Equity value			135,267		
No. of shares outstanding (million)			1051		
Value per share			128,704		
WACC = 9.96%					



5.2 Comparable Valuation using P/E Ratio (50%)

For the P/E method, we apply a target P/E ratio of 14.x with an estimated EPS for 2025F of 7,136 VND per share.

P/E	
NPAT	7,500
EPS	7,136
P/E	14.5
Price	103,472

VI. INVESTMENT RISK

- Raw material risk: Prices of key input materials such as palm oil, sugar, coffee, and wheat flour may fluctuate significantly due to macroeconomic factors and supply chain disruptions, directly impacting MCH's gross profit margin.
- Consumer demand and sentiment risk: In the event of unfavorable macroeconomic conditions, demand for MCH's products-particularly in the premium segment-may be negatively affected.
- Listing transfer risk: MCH may face risks related to regulatory compliance, increased transparency costs, and market expectations. If the listing process does not proceed smoothly, MCH's share price could be negatively impacted by investor sentiment.



STOCK RATING

Benchmark index: **VN – Index.**

Investment horizon: **6 to 18 months**

SUGGESION	DEFINITION
Buy	Expected rate of return $\geq 15\%$ Or firm/major with a positive outlook
Accumulation	Expected rate of return from 5% to 15% Or firm/major with a positive outlook
Neutral	Expected rate of return from -5% to 5% Or Company/with a neutral outlook
Underweight	Expected rate of return from -15% to -5% Or firm/major with a negative outlook
Sell	Expected rate of return $< -15\%$ Or firm/major with a negative outlook

MAJOR RATING

Benchmark index: **VN – Index**

Investment horizon: **6 to 18 months**

Rating	Definition
Outstanding	The industry 's average rate of return exceeds the VN-index by more than 5% Or positive industry outlook
Neutral	The industry's average rate of return relative to the VN-index ranges from -5% to 5% Or neutral industry outlook
Inefficient	The industry's average rate of return smaller than the VN-index by about -5% Or negative industry outlook

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13 May 2025



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MCH VN

Company Report